

Dear Authority Member,

Mat and I met virtually with Defra this morning (17<sup>th</sup> December). We updated Defra on D&SIFCA's budget setting and emphasised, once again, the need for a long term solution by amending the funding formula enshrined in the 2010 Statutory Order that established D&SIFCA. We also emphasised that the use of D&SIFCA's reserves was only a temporary solution, intended to buy time for Defra to create a more stable funding mechanism for D&SIFCA.

We also requested an update as to progress in the discussions between Defra and DLUHC and were given the following statement to distribute to you:

*" Defra welcomes the opportunity to engage directly with Michael and Mat to better understand the challenges faced by DSIFCA and the impact this has on the delivery of IFCA functions across the district. This bespoke support is in relation to DSIFCA's request to the Minister. Defra is continuing to work with DLUHC to discuss options to support for DSIFCA in future. Progress is being made including carefully considering implications for the national context and the other nine IFCAs. "*

It appears that different options for additional support for D&SIFCA are being discussed between Defra & DLUHC but quite clearly there is a concern that, by providing bespoke additional support to D&SIFCA, a precedent would be set whereby one or more of the other 9 IFCAs would also seek additional assistance. Although impressionistic, both Mat and I detect that this is a major impediment in Defra's mind to resolving the situation. A meeting between Defra & DLUHC is scheduled for next week and the next meeting between Mat and I and Defra is scheduled for mid-February. The paper on the ability of D&SIFCA to fulfil its statutory duties, a copy of which has been supplied to you, has been circulated by Defra to its different teams and it seems concerns have been expressed, but no detail has been provided as of yet.

Finally, the confirmation of the continuation of New Burdens Funding is not expected until sometime in March. Defra did state that the "*indication*" is that NBF would continue, but stressed that this was an indication, not confirmation.

I would also like to take this opportunity to thank all Authority members for their input into the Authority's work in 2021 and to wish you all a Merry Xmas and a Happy New Year, with the hope that 2022 is a better year all round for all of us.

Best wishes,  
Mike  
Prof. M. V. Williams  
Chair, Devon & Severn IFCA